



APPROVAL OF MINUTES OF DECEMBER 18, 2018 MEETING

RESOLVED, that the minutes of the Regular meeting of December 18, 2018 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

January 22, 2019

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, DECEMBER 18, 2018 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Kimberly Clayson
Linda Forte
Damon Hodge
Chris Jackson
Kwaku Osei
Jonathan Quarles
Matthew Roling

BOARD MEMBERS ABSENT: Marsha Bruhn
Maurice Cox (Ex-Officio)
John Naglick (Ex-Officio)
Thomas Stallworth

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** Jon Newton (East Riverfront)
Marvin Thomas (I-94 Industrial Park Project)

OTHERS PRESENT: Pierre Batton (DEGC/EDC)
Cleveland Dailey (DEGC/EDC)
Gay Hilger (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Paul Kako (DEGC/EDC)
Glen Long, Jr. (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Mariangela Pledl (DEGC/EDC)
Kelly Shovan (DEGC/EDC)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, DECEMBER 18, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200
8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Chair Forte called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:39 a.m.

GENERAL

Approval of Minutes

Ms. Forte asked if there were any additions, deletions or corrections to the minutes of the November 13, 2018 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Mr. Roling, seconded by Mr. Hodge, Resolution Code EDC 18-12-02-307 was unanimously approved.

Receipt of Treasurer's Reports

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of October 2018. With there being no questions, the Board took the following action:

On a motion by Mr. Roling, seconded by Mr. Quarles, Resolution Code EDC 19-12-03-233 was unanimously approved.

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of November 2018. With there being no questions, the Board took the following action:

On a motion by Mr. Damon, seconded by Mr. Roling, Resolution Code EDC 19-12-03-234 was unanimously approved.

December 18, 2018

500 Griswold, Suite 2200 ▪ Detroit, Michigan 48226 ▪ (313) 963-2940

PROJECTS

Small Business and Commercial Corridor Revitalization Program: Authorization to Replenish Funding for Community Development Block Grant Subrecipient Agreement

Ms. Pledl advised that, as the Board is aware, at the request of the City of Detroit (the "City") Mayor's Office, the EDC is administering small business and commercial corridor revitalization programs known as Motor City Match and Motor City Re-Store (the "Programs").

Community Development Block Grant ("CDBG") funds from the City for Programs implementation were transferred to the EDC pursuant to previous Community Development Block Grant subrecipient agreements. There is a need to replenish the CDBG funding to continue to support the Programs. Subject to City Council approval, the City's Housing and Revitalization Department has agreed to allocate additional CDBG funding to further support the Programs in the amount of One Million Five Hundred Thousand 00/100 Dollars (\$1,500,000.00) for the term of January 1, 2019 through the current termination date of June 30, 2019 (the "Agreement"). The proposed scope of services and budget were included as Exhibits A and B, respectfully.

EDC staff recommended that the EDC Board of Directors authorize the execution of the Agreement. A resolution was included for the Board's consideration.

With there being no questions or discussion, the Board took the following action:

On a motion by Ms. Clayson, seconded by Mr. Roling, Resolution Code EDC 18-12-91-80 was unanimously approved.

I-94 Industrial Park: Stokes et al v EDC—Engagement of Counsel

Ms. Navin explained that in the Spring of 2018, a group of plaintiffs filed a complaint against the City of Detroit and various industrial users in and around the I-94 Industrial District, claiming certain tortious acts and inverse condemnation on account of the I-94 Industrial Park and other nearby industrial sites. In Fall of 2018, the judge granted the plaintiffs' motion to add the EDC and certain other parties to the case. Counts against the EDC include negligence, nuisance, and violations of the Michigan Environmental Protection Act, the Economic Development Corporations Act, and the Equal Protection clause of the Constitution. The plaintiffs are seeking class certification.

Staff recommended the engagement of Fink and Associates ("Fink") to act as counsel to the EDC in this matter at a blended rate of \$275 per hour. Fink has a demonstrated history of defending the other public authorities (DDA and DBRA) in lawsuits arising out of projects and has ample experience in class action lawsuits. In addition, as Fink has served as counsel to the City on various litigation matters in the past, staff believes that such experience will be helpful as coordination with the City on this matter will be important.

A resolution approving the engagement of Fink was included for the Board's consideration.

Mr. Jackson questioned who was representing the Plaintiff in the lawsuit. Ms. Navin responded that she believes that it is Alice Jennings. Mr. Jackson then asked who the Judge in the case was and Ms. Navin said she would have to get back to him on that. Ms. Clayson asked if it would be possible for the Board to get a copy of the Complaint. Ms. Navin responded that we would send the Summons and Complaint, as well as the answers to Mr. Jackson's questions, following the meeting.

Subsequent to the discussion, the Board took the following action:

On a motion by Ms. Clayson, seconded by Mr. Jackson, Resolution Code EDC 18-12-12-52 was unanimously approved.

East Riverfront: Approval to Change Contractor Selection for Stockpile Removal

Ms. Navin stated that on November 13, 2018, the EDC Board approved the use of Ideal Contracting to remove the soil stockpile deposited at 2155 Dubois. As the Board will recall, removal of the soil stockpile is necessary to facilitate the construction of a parking lot at this site and complete the necessary geotechnical and assessments of the ground below. The cost proposal from the selected firm changed after approval by the Board. Due to the change in the cost proposal, EDC staff has determined it is in the best interest of the EDC to utilize the next most responsive bidder, Rickman Enterprises.

EDC staff had previously received three responses, all from Detroit-based firms. The purpose of soliciting a proposal from interested and qualified professional constructors was to remove the soil stockpile as follows:

- Soil stockpile removal and disposal based on results submitted by NTH Consultants environmental testing results.
- Removal of overgrown vegetation, trees and brush.

EDC staff requested approval for the execution of a construction services agreement with Rickman Enterprises, a Detroit-based business, for an amount not to exceed one hundred forty-two thousand two hundred and 00/100 dollars (\$142,200.00). A resolution was included for the Board's consideration.

Subsequent to a discussion, the Board took the following action:

On a motion by Mr. Quarles, seconded by Mr. Osei, Resolution Code EDC 18-12-52-11 was unanimously approved.

ADMINISTRATION

OTHER MATTERS

PUBLIC COMMENT

ADJOURNMENT

With there being no further business to come before the Board, Ms. Forte adjourned the meeting at 8:52 a.m.

December 18, 2018



Economic Development Corporation of the City of Detroit **CODE EDC 18-12-02-307**

APPROVAL OF MINUTES OF NOVEMBER 13, 2018 MEETING

RESOLVED, that the minutes of the Regular meeting of November 13, 2018 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

December 18, 2018



CODE EDC 18-12-03-233
Economic Development Corporation of the City of Detroit

ACCEPTANCE OF TREASURER'S REPORT FOR OCTOBER 2018

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending October 31, 2018, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

December 18, 2018



Economic Development Corporation of the City of Detroit **CODE EDC 18-12-03-234**

ACCEPTANCE OF TREASURER'S REPORT FOR NOVEMBER 2018

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending November 30, 2018, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

December 18, 2018



**SMALL BUSINESS AND COMMERCIAL CORRIDOR REVITALIZATION PROGRAM:
AUTHORIZATION TO REPLENISH COMMUNITY DEVELOPMENT BLOCK GRANT
SUBRECIPIENT AGREEMENT**

WHEREAS, at the request of the City of Detroit (the "City") Mayor's Office, the Economic Development Corporation of the City of Detroit ("EDC"), is administering small business and commercial corridor revitalization programs known as Motor City Match and Motor City Re-Store (the "Programs"); and

WHEREAS, Community Development Block Grant ("CDBG") funding from the City for the Programs implementation that were transferred to the EDC pursuant to Community Development Block Grant subrecipient agreements has been depleted; and

WHEREAS, subject to City Council approval, the City's Housing and Revitalization Department has agreed to allocate additional CDBG funding to further support the Programs in the amount of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) for the term of January 1, 2019 through June 30, 2019; and

WHEREAS, the proposed scope of services and budget of which are attached hereto as Exhibits A and B, respectfully (the "Agreement"); and

WHEREAS, the EDC Board of Directors has determined that the Agreement is appropriate and otherwise consistent with the EDC's statutory purposes; and

NOW, THEREFORE, BE IT, RESOLVED, the Agreement is hereby approved.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute the Agreement and all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

December 18, 2018



I-94 INDUSTRIAL PARK: STOKES ET AL V EDC - ENGAGEMENT OF COUNSEL

WHEREAS, the EDC has been named an additional plaintiff in a lawsuit against the City and various industrial users in and around the I-94 Industrial Park, with the following counts against the EDC; negligence, nuisance, and violations of the Michigan Environmental Protection Act, the Economic Development Corporations Act, and the Equal Protection clause of the Constitution; and

WHEREAS, Staff recommends the engagement of Fink and Associates ("Fink") to act as counsel to the EDC in this matter at a blended rate of \$275 per hour, due to its experience defending public authorities and the City against lawsuits, including class action lawsuits; and

WHEREAS, the EDC Board has determined that engagement of Fink is in the best interests of the EDC and the I-94 Industrial Park project.

NOW, THEREFORE, BE IT RESOLVED, that the EDC Board of Directors hereby approves the engagement of Fink.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes any two of its Officers or any two of its Authorized Agents or any one Officer and any one Authorized Agent to negotiate and execute all documents, contracts and papers and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer or Authorized Agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

December 18, 2018



EAST RIVERFRONT DISTRICT: APPROVAL OF CONSTRUCTION SERVICES FOR SOIL STOCKPILE REMOVAL

WHEREAS, removal of an existing soil stockpile at 2155 Dubois is necessary to facilitate the construction of a parking lot at the site and complete the necessary geotechnical and assessments of the ground below; and

WHEREAS, environmental testing of the soil was completed, and results indicate that the disposal of the soil must occur at a specially designated waste facility; and

WHEREAS, the Economic Development Corporation of The City of Detroit ("EDC") invited experienced, qualified and licensed contractors to submit proposals for the proper removal of soil (the "Services"); and

WHEREAS, on November 13, 2018 the Board of Directors of the EDC approved the execution of a Construction Services Agreement with Ideal Contracting for the performance of Services (Code EDC 18-11-52-10); and

WHEREAS, the EDC staff has determined that, following a change in Ideal Contracting's cost proposal, it is in the best interest of the EDC to utilize the next most responsive bidder, Rickman Enterprises, to complete the Services; and

WHEREAS, EDC staff is requesting approval for the execution of a Construction Services Agreement with Rickman Enterprises for the performance of the Services in a not to exceed amount of one hundred forty-two thousand two hundred and 00/100 dollars (\$142,200.00).

NOW, THEREFORE, BE IT, RESOLVED, that the EDC Board of Directors hereby authorizes the execution of a Construction Services Agreement with Rickman Enterprises for the provision of the Services for the aggregate amount not to exceed one hundred forty-two thousand two hundred and 00/100 dollars (\$142,200.00).

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute a Construction Services Agreement consistent with the above described terms, together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

December 18, 2018